

The President's Daily Brief

27 November 1973

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THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

Tensions have eased on the Middle East fronts, as Arab leaders have turned toward their summit meeting. Egypt and Syria have strongly affirmed their commitment to try for a negotiated settlement, and they are being permitted to set the tone of the conference. The most serious problem under discussion is the dispute between Jordan and the fedayeen over representation of Palestinian interests. (Page 1)

General Ioannidis, mastermind of the Greek coup, is continuing to consolidate his control behind the screen of the weak government he has created. The new group--with less talent--faces the same problems as the old one: civil order, political freedom, responsible government, and economic stability. (Page 3)

Soviet/	25X1
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The Arabs have thrown a small bone to Japan, but will not substantially increase their supply of oil unless the Japanese become more pro-Arab. (Page 5)	
North Korea	25 X 1
(Page 6)	
The Burmese Army is in a serious fight with Chinese-backed Communist insurgents. ($Page 7$)	
There are notes on	25X1
an	25X1
extensive shakeup of South Vietnam's government and military leaders. (Page 8)	

FOR THE PRESIDENT ONLY

ARAB STATES - ISRAEL

Last night's opening session of the Arab summit in Algiers featured Algeria's President Boumediene, who called for continuing the battle against Israel until the occupied territories are evacuated and the rights of the Palestinians secured. Indications are that the final communique will be more moderate than Boumediene's speech or the proposals for a tougher oil embargo and renewed hostilities debated by the foreign ministers in their preparatory meetings.

Presidents Sadat, Asad, and Boumediene and King Faysal met privately early yesterday, suggesting that they will manage the conference. According to press reports, Egypt and Syria have strongly affirmed their commitment to try for a negotiated settlement, and they are being permitted to set the tone of the conference. Those favoring a more militant position reportedly have decided to sit back and wait for the collapse of diplomatic efforts before taking further action.

The most serious problem facing the conferees is resolution of the Jordanian-fedayeen dispute over the representation of Palestinian interests. King Husayn refuses to allow the Palestine Liberation Organization to represent the Palestinian people at a peace conference and apparently has some support from other rulers. One reason for this support may be the guarded reception that Palestinian leaders received in Moscow last week. Moscow is taking a cautious approach to the complex Palestinian issue until the Palestinians themselves and the Arab governments come up with a unified policy.

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again yesterday to discuss disengagement, and again reached no agreement. UN sources have indicated that Israel's General Yariv had no new instructions for yesterday's meeting except to turn down Egypt's proposed force level for its troops on the east	25X1
bank.	25 X 1
	25 X 1
Prior to yesterday's session, Egypt's General Gamasy had indicated to UN officials that "at the appropriate time" Cairo would be willing to have the Israeli main force at a distance 35 kilometers or less from the east bank and would be prepared to reduce further its own main force strength. Both Egyptian and UN officials, however, are concerned by what appear to be deliberate stalling tactics by the Israelis and by General Yariv's tendency to throw out ideas without prior instructions from Tel Aviv.	25 X 1
Cairo and Tel Aviv reported minor cease-fire	25/(1
violations yesterday.	25X1
	25 X 1

A Red Cross official and contacts of the US Interests Section in Cairo have reported that the Egyptian Third Army is being resupplied by sea. There is no other information to corroborate these reports.

In Israel, Trade and Industry Minister Haim Bar-Lev hinted last night that Egypt has lifted its blockade of the Bab al-Mandab Strait. Bar-Lev, when questioned on the blockade at a public meeting, replied that the land, sea, and air cease-fire was being fully observed.

GREECE

Athens began returning to normal yesterday. Tanks and troops were withdrawn, the curfew was lifted, and all schools except those of higher learning were open. Prime Minister Androutsopoulos is scheduled to present a policy statement on Wednesday.

Brigadier General Dimitrios Ioannidis, who masterminded the coup, continues to consolidate his control from behind the screen of a weak government. Ioannidis has said that he wants to return to the reformist principles of the 1967 coup.

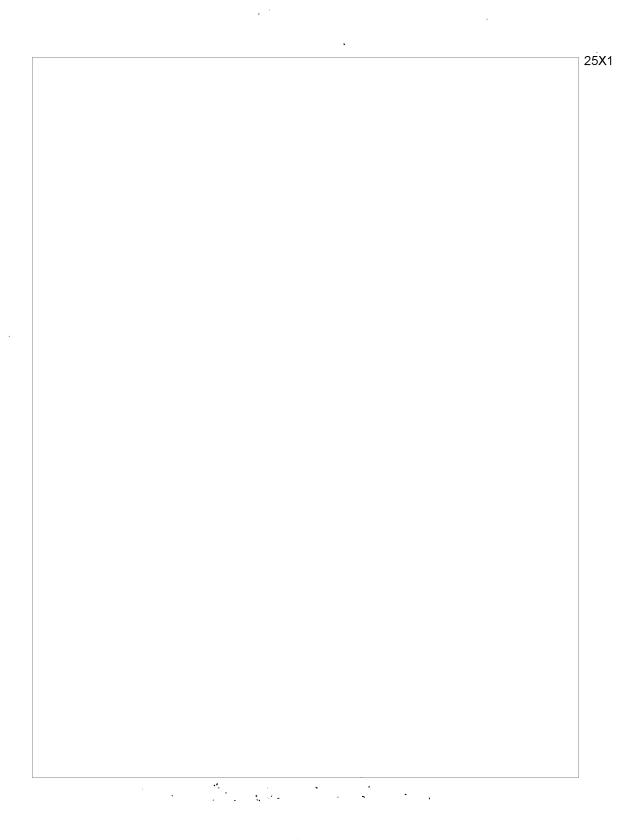
The new cabinet, which apparently was picked by Ioannidis, is unimpressive. Neither Prime Minister Androutsopoulos nor the relatively unknown General Gizikis, who is now President, are likely to provide inspiring leadership. Indeed, Gizikis may be holding the presidency temporarily until a prominent figure, possibly Ioannidis himself, agrees to take the position.

Ioannidis and other rightist officers who ousted Papadopoulos have long been concerned that Papadopoulos would displace them and expose Greece to leftist-inspired political chaos, which is how they have viewed last week's student-worker demonstrations. Ioannidis and his supporters seized upon the demonstrations as confirmation of their belief that Greece was not ready for elections and as justification for their move to oust Papadopoulos.

The government has declared the constitution unworkable because it gives the president so much power that civilian politicians are unwilling to cooperate; it has promised to begin drafting a new constitution. In a further gesture of conciliation, the government released the three politicians who had been placed under house arrest last week because of their opposition to the Papadopoulos government. Iconnidis has warned the press, however, that it must practice "self-censorship" and that the new government will not tolerate criticism.

The government received its first international setback yesterday, when a representative of the Common Market Executive Commission officially said that Greece's associate membership could only be developed further when democratic institutions were re-established.

The new government faces the same problems as the old one-questions of order, political freedom, and economic stability and growth. It has less resources and talent than the previous government, however, and its prospects for successfully coming to grips with Greece's problems are not bright.



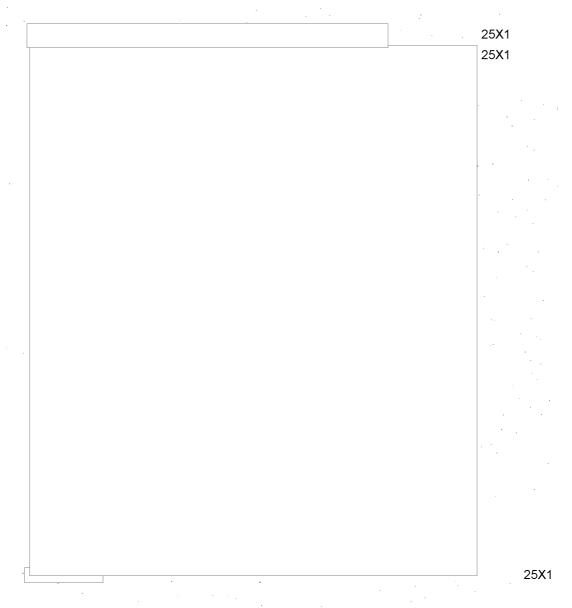
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JAPAN - ARAB OIL

In response to Tokyo's pro-Arab statement on November 22, the Arabs have exempted Japan from a scheduled 5-percent cutback in oil shipments next month. Saudi Arabia's foreign minister has told US officials that Japan will receive the same treatment as most of the European Community states, but still has not gained the status of a "friendly" nation. Press reports on the Arab oil ministers' meeting in Vienna on November 24 indicate that Japan will have to take a much stronger pro-Arab stand by the end of December or face a greater than 5-percent cut in oil supplies in January.

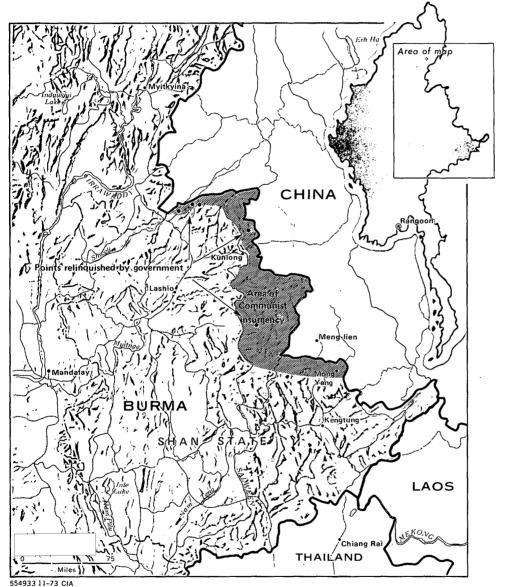
The Arabs' carrot and stick approach may well succeed. Unless the Japanese can get more oil from the Arabs, they face substantial losses in industrial output during the first quarter of 1974.

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NORTH KOREA





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BURMA

The Burmese Army has ended its offensive against Communist insurgents in the northern part of Shan State in order to concentrate on the deteriorating situation in the Kengtung area.

The army had seized positions close to the Chinese border in the first half of November in order to serve notice on the insurgents and their Chinese mentors that Rangoon has not ceded this territory even though the Communists now control it. Although army morale was raised by the operation, Burmese military leaders now believe that the relatively weak opposition was because the bulk of Communist forces had been moved south. The army is consequently sending all available troops to check Communist advances around Kengtung, claiming that it never intended to hold its gains in the north.

The situation near Kengtung is serious, with units of a Communist force of some 5,000 operating as close as 15 miles to the regional administrative center. Although it is not clear that the Communist objective is to take Kengtung, the insurgents do hope to cut the town's road link to the rest of Burma. Heavy rains and local shortages of ammunition have complicated the government's effort,

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South Vietnam: In the past month Saigon has undertaken the most extensive shakeup in recent years at the intermediate level of the government and military hierarchy. One military region commander, five new division commanders, several military region staff officers, and six new province chiefs have been appointed. At least two more changes in province chiefs are being considered. President Thieu clearly is disappointed with the performance of officials in several areas, particularly by their lack of aggressiveness. Most of the changes, for example, have taken place in the key region north of Saigon where the government has been unable to recapture significant territory or reduce the Communist threat. Other changes, such as those in the delta and in the highlands, have been the result of failures to block Communist land grabs since the cease-fire.